

**WORTHINGTON CITY COUNCIL
REGULAR MEETING, MAY 14, 2012**

The meeting was called to order at 7:00 p.m. in City Hall Council Chambers by Mayor Alan E. Oberloh with the following Aldermen present: Lyle Ten Haken, Mike Kuhle, Scott Nelson, Ron Wood, Mike Woll. Honorary Council Member: Kevin Donovan.

Staff present: Craig Clark, City Administrator; Brian Kolander, Finance Director; Brad Chapulis, Director of Community/Economic Development; Jim Laffrenzen, Public Works Superintendent; Dwayne Haffield, Director of Engineering; Kelly Reeves, WGTN-TV3; Janice Oberloh, City Clerk.

Others present: Roland Sinn, MnDOT; Ana Anthony, Daily Globe; Cameron Johnson, Rich Pederson, Lori Klooster; Simon Koster.

PRESENTATION / ACCEPTANCE OF PRISONER OF WAR (POW) FLAG

Simon Koster, Chaplain with the South Dakota Rolling Thunder Chapter 1, a Vietnam Veterans group who's main concern are the POW's and MIA's was at the meeting to present the City with a POW flag, noting that there are still over 80,000 POW's and MIA's still listed. Mr. Koster said he would be happy to assist with the installation of the flag asking only that the City agree to continue to fly the POW flag after this one has been retired.

The motion was made by Alderman Kuhle, seconded by Alderman Nelson and unanimously carried to accept the POW flag with the stipulation to replace the flag as necessary.

AGENDA APPROVED WITH CHANGE

Staff requested that item H.9 *Award Contract for Audio Visual Equipment - Biotechnology Advancement Center* be removed from the agenda.

The motion was made by Alderman Ten Haken, seconded by Alderman Kuhle and unanimously carried to approve the agenda with the deletion of H.9.

CONSENT AGENDA APPROVED

The motion was made by Alderman Wood, seconded by Alderman Kuhle and unanimously carried to approve the consent agenda as follows:

- City Council Minutes of regular meeting April 23, 2012
- Minutes of Boards and Commissions - Water and Light Commission Minutes of Regular Meeting May 7, 2012; Planning Commission/Board of Appeals Minutes of May 1, 2012; Economic Development Revolving Loan Fund Committee Minutes of May 8, 2012; Airport Advisory Board Minutes of May 8, 2012; Park and Recreation Advisory Board Minutes of May 7, 2012; Memorial Auditorium Advisory Board of Directors Minutes of May 2, 2012; Board of Review/Equalization Minutes of April 30, 2012; Worthington Area Convention &

- Visitors Bureau Board of Directors Minutes of March 26, 2012
- Temporary On-Sale Beer license for the Worthington Okabena Windsurfers for the 2012 Regatta at Sailboard Beach from 3:00 p.m. to 11:59 p.m. on Friday, June 8, 2012 and from 12:00 Noon to 11:59 p.m. on Saturday, June 9, 2012
- Application to block the following streets from 8:00 a.m. on Thursday, June 7, 2012 to 12:00 Noon on Monday, June 11, 2012; Lake Avenue from 2nd to 7th Avenue; 3rd Avenue from 8th Street to Lake Avenue; 4th, 5th and 6th Avenues to the alleys
- Approved a lease agreement with Beach Nook Café at Centennial Park for the approximate period of May 23, 2012 through October 31, 2012
- Adopted Resolution No. 3496 - Relating to Financing of Certain Public Improvement by the City of Worthington; Establishing Compliance with Reimbursement Bond Regulations under the Internal Revenue Code (Refer to Resolution File for complete copy of Resolution)
- Bills payable and totaling \$1,623,544.73 be ordered paid

ORDINANCE NO. 1051 ADOPTED AMENDING TITLE IX OF THE WORTHINGTON CITY CODE TO ESTABLISH A PUBLIC ARTS COMMISSION

Pursuant to published notice, this was the time and date set for the third reading of a proposed ordinance amending Title IX of the Worthington City Code to establish a Public Arts Commission to provide a formalized structure to voluntarily review and gain public approval of art viewable from public spaces on both public and private property.

The motion was made by Alderman Woll, seconded by Alderman Kuhle and unanimously carried to give a third reading to, and subsequently adopt, the following ordinance:

ORDINANCE NO. 1051

AN ORDINANCE TO AMEND TITLE IX OF THE CITY CODE OF WORTHINGTON, NOBLES COUNTY, MINNESOTA TO ESTABLISH THE PUBLIC ARTS COMMISSION

(Refer to Ordinance File for complete copy of Ordinance)

POLICIES AND PROCEDURES FOR PUBLIC ARTS COMMISSION ADOPTED

Following adoption of Ordinance No. 1051 establishing a Public Arts Commission for the City of Worthington, staff presented the proposed *City of Worthington Public Arts Commission Policies and Procedures* for Council consideration.

The motion was made by Alderman Kuhle, seconded by Alderman Woll and unanimously carried to adopt the *Public Arts Commission Policies and Procedures*.

FIRST READING PROPOSED ORDINANCE AMENDING TITLE XI, CHAPTER 114, SECTION 114.02 OF THE WORTHINGTON CITY CODE - CABLE TELEVISION REGULATIONS - DEFINITIONS

Council considered a proposed ordinance that would amend Chapter 114, Section 114.02 of the Worthington City Code- Cable TV Regulations - Definitions - that would update the terms for which gross revenues are calculated and what constitutes a subscriber as follows:

1. The definition of “Gross Revenues” in Chapter 114 of the City Code, Section 114.02 is hereby deleted in its entirety and replaced with the following definition:

GROSS REVENUES. Any and all revenue derived by the grantee from the or in connection with the operation of the Cable System to provide Cable Service in the City. Gross Revenues shall include, by way of example but not limitation, revenues from Basic Cable Service, all Cable Service fees, premium, pay-per-view, pay television, Franchise Fees, late fees, guides, home shopping revenue, Installation and reconnection fees, upgrade and downgrade fees, advertising revenue, converter rental fees and lockout device fees. Gross Revenue shall not include FCC fee, PEG fees, refundable deposits, bad debt, investment income, nor any taxes, fees or assessments of general applicability imposed or assessed by any governmental entity. A Franchise Fee is not such a tax, fee or assessment. The City acknowledges and accepts that Grantee shall maintain its books and records in accordance with Generally Accepted Accounting Principles.

2. The definition of “Subscriber” in Chapter 114 of the City Code, Section 114.02 is hereby deleted in its entirety and replaced with the following definition:

SUBSCRIBER. Any Person who lawfully receives Cable Service via the Cable System. In the case of multiple office buildings or multiple dwelling units, the “Subscriber” means each lessee, tenant or occupant not the building owner.

Craig Clark, City Administrator, noted the suggestion came from our legal council following review of our current ordinance regulating cable television in general, and with the upcoming franchise renewals.

The motion was made by Alderman Kuhle, seconded by Alderman Nelson and unanimously carried to give a first reading to the proposed ordinance.

FIRST READING PROPOSED ORDINANCE GRANTING A FRANCHISE TO MEDIACOM MINNESOTA LLC PURSUANT TO TITLE XI, CHAPTER 114 TO

CONSTRUCT, OPERATE, AND MAINTAIN A CABLE TELEVISION SYSTEM IN THE CITY OF WORTHINGTON; SETTING FORTH CONDITIONS ACCOMPANYING THE GRANT OF THE FRANCHISE

As the current franchise agreement with Mediacom expires June 30, 2012, staff presented a proposed ordinance granting Mediacom a franchise renewal that included several modifications to the current agreement but for the same 15 year term from the date of acceptance by Grantee. The proposed changes were one of the results of the WGTN Channel 3 Joint Powers Board's Strategic Planning process and the development of a Needs Assessment, and have been agreed to by Mediacom. The modifications include provisions that:

- Clarify that the installation of cable within new subdivisions is at the sole discretion of the City and required for density of 7 homes per 1/4 cable mile and within a twelve month period;
- Add dedicated two-way lines for the Memorial Auditorium, Performing Center at Minnesota West, the City Band Shell and the forthcoming Events Center;
- Ensure local law enforcement can utilize an Emergency Alert System over all cable broadcast channels;
- Provide a PEG fee of \$1.50 per subscriber per month from the current \$.50 indexed for inflation;
- Change the payment of the franchise fee from annually to monthly and within 45 days;
- Increase the penalties for per day violations of provisions of the ordinance;
- Clarify language related to the relocation of the cable utility in the right-of-way;
- Outline procedures for the removal of cable in the right-of-way;
- Increase the system performance standards to deliver a higher quality product to the consumer;

Include strong customer services standards to regulate the speed with which Mediacom responds to telephone complaints and inquiries and related service issues;

- Give purview of cable service rates, late fees, and other policies consistent with other laws;
- Guaranteed access to three local access channels on the cable system should WGTN expand from its current two offerings; and
- Other technical and smaller provisions of the agreement.

Mayor Oberloh questioned if the City had any control over the rates charged by the provider for their services - Mr. Clark said there is some control stated in the agreement but he would check with the attorney for the specific parameters. Mr. Clark also reported that notice had been received that Knology is selling to Wide Open West, and that the attorney suggested their franchise agreement with the City, which is set to expire in 2013, be moved up to coincide with their sale. Mayor Oberloh suggested that if one of the providers is for sale we should look at whether the City/Public Utilities is interested in owning that service. Mr. Clark said he would request information on that possibility.

The motion was made by Alderman Kuhle, seconded by Alderman Woll and unanimously carried to give a first reading to the proposed ordinance.

SET DATE FOR PUBLIC HEARING REGARDING CHARTER COMMISSION RECOMMENDATIONS FOR AMENDMENTS BY ORDINANCE TO THE CITY OF WORTHINGTON'S CHARTER

At their August 2, 2011 and May 8, 2012 meetings, the Charter Commission discussed and were recommending the following changes by ordinance to the City of Worthington's Charter, as allowed by Minnesota Statute 410.12, Subd. 7:

Amendment to Recognize Historical Partnerships

The Commission is requesting the addition of the following section to the City Charter:

Section 4.17 Cultural Exchanges

The City Council may authorize expenditures for one or more designated City officials to serve as official City of Worthington representatives to Crailsheim, Germany, Cuero, Texas, and such other destinations that have a historical partnership/significance to the City as the City Council may from time to time determine by resolution. The City Council may also authorize such minor expenses for the enhancement and support of the recognized historical partnerships.

Currently, the City does not have authorization to expend dollars on these relationships which now must be done through fund raising and financial support requests.

Amendment to Section 2.01, Entitled "Elective Officers"

The Commission is requesting the following language amendment to Section 2.01 of the City Charter "Elective Officers":

Section 1.

Upon recommendation of the Charter Commission for the City of Worthington dated _____, 2012, Chapter Two, Section 2.01, of the Worthington City Charter is hereby amended to read as follows:

The elective officers of the city shall consist of a Mayor, two members of the City Council from each ward, and one member of the City Council from the city at large, each of whom shall be known as Council Member.

Section 2.

Wherever throughout the Worthington City Charter the terms "Alderman" and "Aldermen" are used, those Chapters and Sections of the Charter are hereby amended so as to substitute and change the terms to "Council Member" and "Council Members".

This change will better accommodate the printing of election ballots for City Council position openings as the majority of the cities in the state refer to their elected officials as "Council Members", while only a very small number of cities still refer to their elected officials as "Aldermen".

Per Statute, following Council's receipt of a Charter Commission recommendation the City must publish a notice of a public hearing on the proposal to amend the Charter within one month. The hearing must be held at least two weeks but not more than one month after the notice is published. Within one month of the public hearing, Council must vote on the proposed charter amendment ordinance. The ordinance is enacted if it receives an affirmative vote of all members of the City Council and is approved by the Mayor and published as in the case of other ordinances. The ordinance would not become effective for 90 days after passage and publication (or a later date if specified in the ordinance). Within 60 days after passage and publication a petition requesting a referendum on the ordinance may still be filed with the City Clerk. The petition must be signed by registered voters equal in number to at least five percent of the registered voters in the city, or 2000, whichever is less.

The motion was made by Alderman Woll, seconded by Alderman Ten Haken and unanimously carried to set the date for the public hearings for both of the above recommendations as June 11, 2012 at the regular scheduled City Council meeting.

REQUEST FOR PURCHASE OF REFURBISHED JET "A" FUEL TRUCK FOR WORTHINGTON AIRPORT

Council reviewed a suggestion from the promotional committee for the Worthington airport to purchase a refurbished jet "A" fuel truck to service the larger corporate/business aircraft. Currently, the larger aircraft are required to restart the aircraft after unloading passengers to move to the fuel pumps if they wish to purchase fuel. The restarts are considered a "cycle time" and contribute towards the hours that then require an engine to be overhauled. While most aircrafts could be towed, there is liability for damage that could occur. Jim Laffrenzen, Public Works Superintendent, noted that staff had contacted MnDOT, and following reversal of their original opinion, were told that such a purchase would be eligible for 50/50 matching grant for the purchase. Staff contacted two vendors and were provided with prices that ranged from \$21,500 to \$87,950. Following evaluation of the information, it was decided to pursue a unit available thru Epic Aviation for a negotiated price of \$23,000 plus tax and shipping. The units are delivered with "no express warranty", however, they are completely gone thru with all repairs completed for lease or sale. The Airport Advisory Board considered the purchase of the unit at their May 8, 2012 meeting and recommended that Council

approve the purchase upon receipt of the matching grant from MnDOT, with a not to exceed cost of \$30,000.

Financing for the unit would be as follows:

Cost of Unit	\$23,000
Estimated freight from Findlay, Ohio	3,600
Estimated tax, license, etc	<u>1,800</u>
Total Projected Cost	\$28,400

Financing

MnDOT Grant	\$14,200
*City of Worthington - initial use of Airport ERF funds	7,100
**Integrity Aviation Repayment Flowage fee*	<u>7,100</u>
Total Revenue	\$28,400

*The City would expend \$14,200 initially from the airport Equipment Reserve Fund.

**Integrity Aviation would pay an additional \$.05 flowage fee to the City on a monthly basis until \$7,100 has been generated (estimated to be within a two year period).

The motion was made by Alderman Kuhle, seconded by Alderman Wood and unanimously carried to approve the purchase of a Jet "A" refueling unit as presented.

RESOLUTION ADOPTED ENTERING INTO AGREEMENT NO. 00883 WITH THE STATE OF MINNESOTA, DEPARTMENT OF TRANSPORTATION AND AUTHORIZATION FOR EXECUTION OF AGREEMENT

Council considered a cooperative construction agreement between the City of Worthington and MnDOT pertaining to the TH 59/60 Phase III construction project. The agreement establishes the City's share of project costs, assigns future maintenance responsibilities to the City, sets forth the roadways and drainage facilities to be released to the City, and establishes certain conditions for future use of the drainage facilities. Dwayne Haffield, Director of Engineering, noted the major capital cost items relate to relocation of sewer, water, and lighting, which is mainly to accommodate the round-a-bout. The agreement is similar to the agreement approved by Council last year, and has been reviewed by the City Attorney and received concurrence from the Water and Light Commission. Rolin Sinn from MnDOT was present at the meeting to discuss the agreement with Council.

The total estimated cost for the water main work is \$461,263, including all engineering, contingencies and water main materials to be furnished by the City. This estimate includes

engineering costs of the City and a contingency which are not included in the agreement. The cost for materials is also not included in the agreement. MnDOT's share of these costs is \$35,722, leaving a local cost of \$428,000, which is the amount budgeted in the Water Utility Fund for the work.

The total estimated costs for the sanitary sewer work is \$104,025, which includes engineering and contingencies. Certain engineering costs and contingency are not used in the agreement. MnDOT's share of these costs is \$22,179, leaving a local cost of \$81,845. The Wastewater Utility Fund includes a budgeted amount of \$82,500.

The agreement also addresses an estimated \$285,865 in street lighting costs, and establishes that the street lighting will be installed by the City. A total of \$106,182 of this estimated cost is to be paid by MnDOT as the lighting is required. The costs for the remaining lighting are eligible to be funded with an Aesthetic Credit. Costs for the signal at Armour Road and TH 60 are being distributed between MnDOT and Nobles County per an agreement between them.

The motion was made by Alderman Wood, seconded by Alderman Nelson and unanimously carried to adopt the following resolution entering into the agreement and authorizing execution of the agreement:

RESOLUTION

IT IS RESOLVED that the City of Worthington enter into Mn/DOT Agreement No. 00883 with the State of Minnesota, Department of Transportation for the following purposes:

To provided for payment by the City to the State of the City's share of the costs of the water main and sanitary sewer construction and State cost for City lighting construction and other associated construction to be performed upon, along and adjacent to Trunk Highway No. 60 from 2100' north of C.S.A.H. 35 to 2700' north of T.H. 90 within the corporate City limits under State Project No. 5305-59 (T.H. 60=085).

IT IS FURTHER RESOLVED that the Mayor and the Clerk are authorized to execute the Agreement and any amendments to the Agreement.

Mr. Sinn agreed to look at the signage abilities for the "old truckstop businesses".

RESOLUTIONS ADOPTED APPROVING COUNTY STATE AID HIGHWAY PLANS - COUNTY STATE-AID HIGHWAY NO. 10, COUNTY STATE-AID HIGHWAY NO. 35

Nobles County has prepared plans for certain improvements of C.S.A.H. 10 (Crailsheim Road) and C.S.A.H. 10 within the corporate limits of the city of Worthington. Minnesota Statute requires the

County obtain approval of any improvement of a County State Aid Highway within a city from the governing board of that City, and outlines a potential process for dispute resolution should a city not approve such plans. The Park Advisory Board approved the plans in regard to its impact on Olson Park at their May 7, 2012 meeting., and staff was recommending that Council pass the two required resolutions.

The motion was made by Alderman Kuhle, seconded by Alderman Woll and unanimously carried to adopt the following resolutions approving the County State Aid Highway plans:

RESOLUTION APPROVING COUNTY STATE AID HIGHWAY PLANS

WHEREAS, plans for Project No. SAP 53-610-09 showing proposed alignment, profiles grades and cross-sections for the construction, reconstruction or improvement of County State-Aid Highway No. 10 within the limits of the City as a State Aid Project have been prepared and presented to the City;

NOW, THEREFORE, BE IT RESOLVED: That said plans be in all things approved.

RESOLUTION APPROVING COUNTY STATE AID HIGHWAY PLANS

WHEREAS, plans for Project No. SAP 53-635-25 showing proposed alignment, profiles grades and cross-sections for the construction, reconstruction or improvement of County State-Aid Highway No. 35 within the limits of the City as a State Aid Project have been prepared and presented to the City;

NOW, THEREFORE, BE IT RESOLVED: That said plans be in all things approved.

RESOLUTION NO. 3497 ADOPTED APPROVING PLANS AND SPECIFICATIONS AND ORDERING ADVERTISEMENT FOR BIDS

Staff was requesting Council approval of the plans and specifications for the 2012 Bituminous Pavement Improvements project and for authorization to advertise for bids to be received June 11, 2012 and considered for award at the Council meeting that evening. The project includes the following five schedules of work:

Schedule 1 - Bituminous Overlays - the following streets are proposed to be overlaid this year:

- Fox Farm Road - West Shore Drive to CSAH 10
- Milton Avenue - Clary Street to Dover Street
- Omaha Avenue - Clary Street to Dover Street
- Sherwood Street - 12th Street to 13th Street
- West side of Strait Avenue south of Miller Street

Schedules 2-5 - Reconstruction of Alleys and Streets - The alley and street reconstruction improvements proposed in the feasibility report submitted to Council for its April 9, 2012 meeting and approved at the April 23, 2012 improvement hear are:

- Sherwood Street - Nobles Street to Franklin Street
- Franklin Street - East Avenue to Sherwood Street
- Trevor Street - East Avenue to Murray Avenue
- Northeasterly Alley in Block 28, Plat of Worthington
- Southwesterly Alley in Block 28, Plat of Worthington

The motion was made by Alderman Kuhle, seconded by Alderman Ten Haken and unanimously carried to adopt the following resolution approving the Plans and Specifications for the 2012 Bituminous Pavement Improvements project:

RESOLUTION NO. 3497

APPROVING PLANS AND SPECIFICATIONS AND ORDERING ADVERTISEMENT FOR BIDS

(Refer to Resolution File for complete copy of Resolution)

AUTHORIZATION TO TAKE QUOTES FOR 2012 STREET SEAL COATING

Staff was requesting Council authorization to take quotes for the 2012 Street Seal Coating project. The following streets have been identified for the project:

- 13th Street - Clary Street to CD 12
- Buchanan Court - Sterling Drive to end
- Indian Hill Road - Pleasant Avenue to Linda Lane
- Pleasant Avenue - S. Shore Drive to 1st Avenue SW
- Spring Avenue - Frontage Road to Service Road
- Woodcrest Avenue - Nobles Street to end

Dwayne Haffield, Director of Engineering, noted that of the \$275,000 in the 2012 Construction Fund for contract maintenance, \$93,000 is designated for seal coating. Because the project is estimated at less than \$100,000, the work can be procured by quote rather than the formal bid process to reduce time and costs. Staff was also seeking authorization to award the quotes as they would not necessarily come back to Council as long the project remained under \$100,000.

The motion was made by Alderman Nelson, seconded by Alderman Kuhle and unanimously carried to authorize staff to take quotes for the 2012 Street Seal Coating project and to award the contract as long as the project remains under budget.

REVOLVING LOAN FUND APPLICATION FOR LIVING LIFE ADULT DAY CARE CENTER APPROVED

Living Life Adult Day Care Center, LLC submitted an application for a revolving loan in the amount of \$80,000 to assist in financing their start up business to be located at 500 Stower Drive. The applicant needs to finalize the acquisition of the property, renovate the building, purchase inventory and equipment and obtain working capital. Total cost of the project is \$632,000, with the proposed financial structure as follows:

Proposed Uses

Acquisition	\$325,000
Renovation	\$200,000
Machinery & Equipment	\$ 60,000
Inventory	\$ 8,000
<u>Working Capital</u>	<u>\$ 39,000</u>
Total	\$632,000

Proposed Sources

Equity	\$ 26,000	(4.1%)	
1 st State Bank SW	\$ 222,500	(35.2%)	240 months @ 5%
SBA	\$ 155,750	(24.6%)	240 months @ 4.84%
SWIF	\$ 76,750	(12.1%)	120 months @ 6%
City RLF	\$ 80,000	(12.6%)	60 months @ 5%
Seller	\$ 71,000	(11.2%)	240 months @ 5%

Proposed Collateral

1 st State Bank SW	1 st lien position on R.E.
SBA	2 nd lien position on R.E.
SWIF	3 rd lien position on R.E. and 1 st on M & E
City	2 nd lien position on M & E
Seller	4 th on R.E.

The Revolving Loan Fund (RLF) Committee considered this application at their May, 2012 meeting, and on a 4-1 vote, recommended approval of the \$80,000 loan with the following conditions:

1. The City maintains the 2nd lien position on M & E and 4th position on real estate;
2. The business maintains a debt coverage ratio of no less than 1 to 1 in year 1 and 1.25 to 1 in years 2 and beyond;
3. Owner's salary increases be limited to 10% through the term of the loan;
4. The Seller agrees to subordinate to the City;
5. The applicant obtains life and disability insurance illustrating the City as lost payee;

6. The creation of 10 full-time equivalent jobs with a wage not to be less than \$10.00/hour as required in the RLF guidelines. The jobs must be created within 2 years from the date of completion of the agreement;
7. Approval and commitment of all participating lenders; and
8. The applicant pays for attorney's fees affiliated with the closing costs of the project, which include the drafting and filing of applicable documentation.

Brad Chapulis, Director of Community/Economic Development, clarified that the \$10/hour required wage rate does not include benefits.

Following discussion, the motion was made by Alderman Wood, seconded by Alderman Nelson and unanimously carried to approve the RLF application from Living Life Adult Day Care Center in the amount of \$80,000.

CONDITIONAL USE PERMIT APPROVED - WORTHINGTON CHRISTIAN REFORMED CHURCH

Worthington Christian Reformed Church was seeking a conditional use permit for the construction/erection of an electric message sign on its property located at 1100 1st Avenue SW. Illuminated signs, including message boards, are only permissible through the issuance of a conditional use permit in residentially zoned areas. The subject property is zoned "R-1" - Single Family Detached Residential.

The Planning Commission considered the request at their May 1, 2012 meeting, and after holding a public hearing, voted unanimously to recommend Council approval of the Conditional Use Permit with the condition that the Church comply with the following eight restrictions as outlined in Title XV, Section 153.17 of the City Code:

1. Sign is for a public institutional land use as defined in Title XV, Section 155 of the City Code;
2. Electronic message board does not exceed 30 square feet;
3. Sign is not greater than 8.5 feet in height;
4. Electronic message board is erected on a monument sign;
5. Message display is limited to 7 a.m. to 8 p.m.;
6. Messages are limited to change once every 10 seconds;
7. Messages are prohibited to flash or flutter (scroll only);
8. Messages may only display public service announcements.

Alderman Ten Haken stated he would be abstaining on the vote for this item as this was for the church he attends and he is the one that brought the item forward.

The motion was made by Alderman Kuhle, seconded by Alderman Nelson, and with Alderman Ten Haken abstaining, was unanimously carried by the remaining members with the conditions stated.

SPECIAL USE PERMIT APPROVED - AMERICAN REFORMED CHURCH

The American Reformed Church, 1720 North Burlington Avenue was seeking the issuance of a special use permit for the construction of a storage building on their property. The property is zoned as "R-1" - Single Family Detached Residential. Religious institutions are permitted in the "R-1" district through issuance of a special use permit.

The Planning Commission considered the request at its May 1, 2012 meeting, and after holding a public hearing, voted unanimously to recommend Council approval of the Special Use Permit with the following conditions:

1. The applicant complies with the conditions of the 1997 SUP (Doc#267457);
2. The applicant properly screens the trash area;
3. All site improvements are completed as necessary.

Following discussion, the motion was made by Alderman Kuhle, seconded by Alderman Nelson and unanimously carried to approve the Special Use Permit with the conditions stated.

FIRST READING PROPOSED ORDINANCE AMENDING TITLE IX OF THE WORTHINGTON CITY CODE TO REZONE PROPERTY FROM "R-3" (LOW DENSITY PRESERVATION RESIDENTIAL) TO "B-3" (GENERAL BUSINESS)

Staff received an application from Arturo Lozano for rezoning of the property owned by Classic Convenience, Inc. and located at 1314 Burlington Avenue, from "R-3" - Low Density Preservation Residential to "B-3" - General Business. The applicant has a purchase agreement for the property with the condition that the property was properly zoned for his planned automotive sales business. The subject property is legally described as:

West ½ of Lot 16, Block 13, Moulton's Resurvey and Subdivision of Clary's Addition, City of Worthington, Minnesota.

Staff was requesting that Council give a first reading to a proposed ordinance that would rezone the property as follows:

The City Council of the City of Worthington, Do Ordain:

Section I.

In order to better protect and enhance public health, safety and general welfare, the

Worthington City Council hereby finds that it is necessary to modify the zoning district designation of certain areas of the City of Worthington from "R-3" - Low Density Preservation Residential to "B-3" - General Business.

Section II.

The following legally described area, presently included in the "R-3" district, shall henceforth be included in the "B-3" district:

West ½ of Lots 15 & 16, Block 13, Moulton's Resurvey and Subdivision of Clary's Addition, City of Worthington, Nobles County, Minnesota.

The Planning Commission considered the change of zone application at its May 1, 2012 meeting, and believes that the proposed zoning classification complies with the goals and objectives of the Comprehensive Plan and fits within the parameters of the Planning Commission's redevelopment boundaries. The Commission voted unanimously to recommend Council approval of the proposed change of zone with the following conditions:

1. The parcels are to be combined with the County Assessor; and
2. The installation of a site obscuring fence or landscape along the south property line in accordance with the City Code.

Brad Chapulis, Director of Community/Economic Development, noted that staff had received one letter in opposition to the rezoning. However, the items referred to are for properties that are not within the vicinity of the proposed rezoning, and are primarily, if not all, considered civil matters - one is a property line dispute.

Mayor Oberloh expressed concern over the appearance of the front of the existing commercial building that may be used and the missing concrete when the fuel tanks were removed - could the City require him to improve the hard surface work. Mr. Chapulis said he believed our only requirement would be for number of parking stalls, but he would look into it and provide an answer prior to the second reading of the proposed ordinance.

The motion was made by Alderman Kuhle, seconded by Alderman Wood and unanimously carried to give a first reading to the proposed ordinance.

APPROVAL OF SCHEMATIC DESIGN AND CONSTRUCTION BUDGET FOR EVENT CENTER AND AUTHORIZATION TO PROCEED WITH PREPARATION OF CONSTRUCTION DOCUMENTATION AND TO BID SITE WORK FOR THE HOTEL/EVENT CENTER, AND AUTHORIZATION TO EXECUTE AND SUBMIT APPLICATIONS FOR EASEMENT VACATION AND VARIANCE FOR THE PROJECT

Mayor Oberloh asked if there was any objection to combining the next four items on the agenda as they all pertained to the proposed Event Center project. There were none.

Schematic Design and Construction Budget-Event Center — Brad Chapulis, Director of Community/Economic Development, noted the new cost estimate for the project was slightly over \$3.75 million, which is an increase of \$162,000 and change over the previous estimate, and is directly related to the additional square footage that has been added to the facility.

The Design Committee, along with the Project Team, was formally requesting Council's approval on the schematic design and construction estimate. This will complete Phase I of the Project.

Proceed with Preparation of Construction Documentation for Event Center — Phase II is to commence with preparation of construction documentation for the Event Center. Staff was requesting Council authorization to prepare the construction documents for the facility, which would be brought back to Council in late June or early July to proceed with bidding for the Event Center. Estimated cost for the for the work is \$90,000 (\$55,000 Architect, \$30,000 design, and \$5,000 A/V design) and is included in the project budget.

Staff was requesting authorization to proceed with the documentation.

Authorization to Bid Site Work-Hotel/Event Center — The plans for the site work for the entire project have been completed and reviewed by City staff. The work will be broken into 3 separate lump sum contracts for each project: excavation, site utilities and paving. Bids would be due June 11, 2012 and submitted to Council that evening at their regular meeting.

Staff was seeking Council approval of the plans and authorization to advertise for bids.

Authorization to Execute and Submit Applications for Easement Vacation and Variance-Hotel/Event Center Project — The plans for the hotel/event center project include a link between the two facilities. In order to proceed with the link, the City must first vacate the utility easements that run along the east property line of Lot 1 (Hotel) and west property line of Lot 2 (Event Center). The applications for vacation will be reviewed by the Water and Light Commission, Planning Commission, and City Council. Also, the project must obtain a variance to allow the proposed link to encroach into the required side yard 10 foot setbacks on both lots. The variance application will be reviewed by the Board of Zoning Appeals (Planning Commission).

Staff was seeking Council authorization for the Mayor to execute the applications for the easement vacation and the variance.

The motion was made by Alderman Wood, seconded by Alderman Nelson and unanimously carried to approve the Council action requested in the Community/Economic Development Case Items 5,

6, 7, and 8 of the agenda.

COUNCIL COMMITTEE REPORTS

Mayor Oberloh - reported on an E.O. Olson Committee meeting - they decided to stay where they were and not move their investment at this time. There will be a request from them to either have the City buy them out of the former dredge site land or sell the land. Will also be entertaining a rebuilding of the area above the Corp of Engineer's dam on Diagonal Road and Oxford Street.

Alderman Ten Haken - SRDC meeting last week - last time they went to the Cities they invited 11 legislators to meet with them and only 3 showed up and 2 declined - looking at doing something differently and the suggestion was to meet with metro reps instead.

Alderman Kuhle - nothing to report.

Alderman Nelson - nothing to report.

Alderman Wood - nothing to report.

Alderman Woll - reignited the Senior Center Committee today and hope to have a report to Council sometime in the near future. The bid for the project is Wednesday. Thanked those involved for the extensive arts packet he received.

CITY ADMINISTRATOR'S REPORT

Craig Clark, City Administrator, reported that he had met with the County and School District on the "Zero Deaths" initiative that focuses on education, engineering and enforcement and emergency medical trauma services, and to look at our roadways for safety to move towards zero deaths. Reported also that Worthington was singled out on the House floor by Representative Runbeck, Chair of the Property Tax Committee, fortunately, Rod Hamilton contacted the Mayor and we were able to get things straightened out. Representative Kiffmeyer also ranted on the ineffectiveness of LGA. Mr. Clark wanted to publicly thank Representative Rod Hamilton and the Mayor for standing up for Worthington.

ADJOURNMENT

The motion was made by Alderman Wood, seconded by Alderman Ten Haken and unanimously carried to adjourn the meeting at 9:01 p.m.

Janice Oberloh, MCMC
City Clerk